

February 17, 2006

The Honorable Common Council  
City Hall Room 205  
200 East Wells Street  
Milwaukee, WI 53202

**RE: RESOLUTION AUTHORIZING DER TO HIRE CONSULTANTS**

Dear Ladies and Gentlemen:

Please introduce a file at the next Common Council Meeting for referral to the Finance and Personnel Committee to authorize the Department of Employee Relations to hire consultants to assist in preparing requests for proposals (RFPs) for 2007 contracts and evaluating polices that will assist the City in controlling health care costs..

At the end of 2006 the following City of Milwaukee employee benefit contracts expire:

- Contracts with the two Health Maintenance Organizations;
- Contract with the Flexible Choices Plan administrator,
- Contract with Fee-For-Service Dental Plan, and,
- Contract with three Pre-Paid Dental Plans.

DER is proposing that Requests for Proposals for the HMO contract for 2007, and will consider whether to do RFPs for the other contracts or to extend the other contracts for 2007. The funds to pay such consultants will be paid from the Department of Employee Relations 2005 Special Purpose Account.

The Director of the Department of Employee Relations, in consultation with the Chair of the Finance and Personnel Committee, is authorized to execute such consultant contracts as prepared by the City Attorney in a sum not to exceed \$30,000. A draft resolution is attached.

Sincerely,

Michael Brady  
Employee Benefits

Cc: James Owczarski, Common Council Records Section  
Debra Fowler, Common Council Records Section  
City Attorney Grant Langley  
Ellen Tangen, City Attorney's Office  
Dennis Yaccarino, Budget Office  
Barry Zalben, Legislative Reference Bureau  
Marianne Walsh, Legislative Reference Bureau  
Maria Montegudo, DER  
Edwin Reyes, DER